the Central Statistical Organisation (CSO), the overall growth of Gross Domestic Product (GDP) at factor cost at constant prices for 2003-04 was 8.2 per cent compared with 4.0 per cent in the previous year. The GDP growth in the first quarter (April-June) of the current year 2004-05 as estimated by the CSO is 7.4 per cent compared to 5.3 per cent in the corresponding quarter last year. Thus, there are no indications of any decline in the GDP growth till the end of the first quarter of the current year.

(b) and (c) Do not arise.

Utilisation of foreign exchange reserves

1179. SHRI RAJEEV SHUKLA:
DR. VIJAY MALLYA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the reports in the media on differences of opinion between the Reserve Bank of India and his Ministry in the matter of utilisation of part of foreign exchange reserves for development of infrastructure;

(b) whether in view of the larger requirement of funds for the purpose, how do Government propose to raise funds, particularly since RBI is not in favour of utilising the forex reserves for the purpose;

(c) Whether regulatory agencies are being contemplated to be set up in the Planning Commission to make infrastructure funding by the private sector more attractive; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) India's total foreign exchange reserves are now more than US$128 billion. Any decision to utilise a part of these reserves for funding domestic projects requires a careful assessment, *inter alia*, of the impact of such a measure on the fiscal situation, money supply, exchange rate, domestic interest rates, reserve adequacy and inflation. An informed debate on the feasibility of such an utilisation is currently on.

(b) The latest Union Budget (2004-05) has underlined enhancing investment - both public and private - in industry, as a thrust area, and has reiterated the commitment to remove inadequacies in infrastructural facilities. Specific measures aiming to enhance investment like increasing Foreign Direct Investment (FDI) ceiling in civil aviation, and setting up an Investment Commission for inviting domestic and foreign businesses to invest in India, have already been taken.

(c) No, Sir.

(d) Does not arise.

Grain export assistance

1180. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry has given an "in-principle' nod for Rs. 300 crores grain export assistance for the current fiscal;

(b) whether it is also a fact that his Ministry's clearance has been obtained for giving assistance to traders at the rate of Rs. 900 a tonne for wheat and rice exports; and

(c) if so, whether these exports are likely to affect the country's food security?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) A proposal in this regard received from Ministry of Commerce and Industry has been considered by the Committee on Non-Plan Expenditure and is awaiting the decision of the Government.

Tax refund

†1181. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have any proposal to deposit the tax refund in many cities of the country directly into the bank accounts of the tax-payers instead of refunding the same through cheque; and

†Original notice of the question was received in Hindi.